

Congress of the United States
Washington, DC 20510

March 29, 2017

Mr. Howard Schneider
Chair, PJM Board of Managers
PJM Interconnection, LLC
P.O. Box 1525
Southeastern, PA 19399-1525

Dear Chairman Schneider,

We write in reference to PJM's proposed Artificial Island transmission extension project. We understand that while PJM agreed to reconsider the project earlier this year, PJM still plans to move forward with that project with the same cost allocation calculation as was previously considered. While we appreciate PJM's proven commitment to safety, reliability, and efficiency throughout your regional electricity market, and we do not oppose the project itself, the cost allocation associated with the project is grossly unfair, and puts an undue burden on the ratepayers of Delaware.

The cost estimate for the project currently stands at \$279 million and, under the cost allocation model proposed by PJM, Delmarva zone ratepayers would pay approximately \$250 million of that cost. Asking these ratepayers to cover almost 90% of the project cost is unacceptable considering they receive only a fraction of the benefit.

This is a long-standing concern of Delaware's, and our Public Service Commission has filed for a rehearing with the Federal Energy Regulatory Commission (FERC). Given the unusual and, in this case, unreasonable outcome of the Solutions Based Distribution Factor cost allocation model, our Public Service Commission has asked FERC to reconsider that model for this project. We respectfully request that PJM support that filing.

As the federal congressional delegation representing the State of Delaware, we have an obligation to stand up for the best interest of our constituents. Put plainly, this project, with the cost allocation as it stands, is a bad deal for Delaware ratepayers. A very bad deal. We will continue to speak up – loudly - for the best interests of Delawareans and oppose this project's cost allocation until it is remedied and we intend to pursue all options at our disposal. Thank you for your consideration.

Sincerely,



Thomas R. Carper
United States Senator



Christopher Coons
United States Senator



Lisa Blunt Rochester
United States Representative